

Division: HCFA-PM-91-4 (BPD)
August 1991

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Tennessee

TRANSFER OF RESOURCES

1917 of the Act

The agency complies with the provisions of section 1917 of the Act with respect to the transfer of resources.

See Addendum to Supplement 9 for transfer of resource policies in effect prior to July 1, 1988.

No. 92-7
supersedes
TN No. 88-20

Approval Date **MAY 26 1993**

Effective Date 1/1/92

HCFA ID: 7985E

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- b. /X/ The period of ineligibility is less than 24 months, as specified below:

For resources transferred prior to July 1, 1988 by an institutionalized individual who applies before July 1, 1988 the following policy applies:

<u>Uncompensated Value</u>	<u>Counted as A Resource For</u>
\$3,000 or less	6 months
\$3,001 - 6,000	12 months
\$6,001 - 9,000	18 months
\$9,001 - 12,000	24 months

- c. / The agency has provisions for waiver of denial of eligibility in any instance where the State determines that a denial would work an undue hardship.

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2. Transfer of the home of an individual who is an inpatient in a medical institution.

/ A period of ineligibility applies to inpatients in an SNF, ICF or other medical institution as permitted under section 1917(c)(2)(B)(i).

- a. Subject to the exceptions on page 2 of this supplement, an individual is ineligible for 24 months after the date on which he disposed of the home. However, if the uncompensated value of the home is less than the average amount payable under this plan for 24 months of care in an SNF, the period of ineligibility is a shorter time, bearing a reasonable relationship (based on the average amount payable under this plan as medical assistance for care in an SNF) to the uncompensated value of the home as follows:

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- b. / Subject to the exceptions on page 2 of this supplement, if the uncompensated value of the home is more than the average amount payable under this plan as medical assistance for 24 months of care in an SNF, the period of ineligibility is more than 24 months after the date on which he disposed of the home. The period of ineligibility bears a reasonable relationship (based upon the average amount payable under this plan as medical assistance for care in an SNF) to the uncompensated value of the home as follows:

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No individual is ineligible by reason of item A.2 if--

- (i) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual can reasonably be expected to be discharged from the medical institution and to return to that home;
- (ii) Title to the home was transferred to the individual's spouse or child who is under age 21, or (for States eligible to participate in the State program under title XVI of the Social Security Act) is blind or permanently and totally disabled or (for States not eligible to participate in the State program under title XVI of the Social Security Act) is blind or disabled as defined in section 1614 of the Act;
- (iii) A satisfactory showing is made to the agency (in accordance with any regulations of the Secretary of Health and Human Services) that the individual intended to dispose of the home either at fair market value or for other valuable consideration; or
- (iv) The agency determines that denial of eligibility would work an undue hardship.

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3. 1902(f) States

/ Under the provisions of section 1902(f) of the Social Security Act, the following transfer of resource criteria more restrictive than those established under section 1917(c) of the Act, apply:

8. Other than those procedures specified elsewhere in the supplement, the procedures for implementing denial of eligibility by reason of disposal of resources for less than fair market value are as follows:

1. If the uncompensated value of the transfer is \$12,000 or less:

<u>Uncompensated Value</u>	<u>Counted As A Resource For</u>
\$3,000 or less	6 months
\$3,001 - 6,000	12 months
\$6,001 - 9,000	18 months
\$9,001 - 12,000	24 months

2. If the uncompensated value of the transfer is more than \$12,000:

Add one additional month for each additional \$1,000 of uncompensated value (or portion thereof)

*This policy applies to resources transferred prior to July 1, 1988 by a non-institutional individual who applies before, on or after July 1, 1988, or by an institutionalized individual who applies before July 1, 1988.

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3. If the agency sets a period of ineligibility of less than 24 months and applies it to all transfers of resources (regardless of uncompensated value):

4. Other procedures:

C. In accordance with Section 303 of the Medicare Catastrophic Coverage Act of 1988, effective July 1, 1988 any assets transferred by an institutionalized individual on or after that date and subsequently any assets transferred within 30 months of applying for Medicaid on or after July 1, 1988, for less than fair market value, will be considered an available asset. Countable assets for this provision include all real and personal property.

1. Do not restrict Medicaid coverage to institutionalized individuals under the provisions in Section 303(b) of the Medicaid Catastrophic Coverage Act if:

a. The resources transferred were a home, and title to the home was transferred to the:

- (1) Spouse;
- (2) Minor child under age 21 or adult disabled or blind child;
- (3) Sibling who has equity interest and has resided in the home for at least one year prior to the individual's institutionalization;
- (4) Child (other than those in (2) above) who resided in the home at least two years immediately preceding the individual's institutionalization and who provided care that permitted the individual to stay in the home rather than a medical or nursing facility.

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- b. The resources were transferred to (or to another party for the sole benefit of) the community spouse or the individual's child who is blind or permanently and totally disabled.
2. The period of ineligibility, for nursing home vendor payments (or home and community based services) unless hardship provisions apply, shall begin with the month in which such resources were transferred and the number of months in such period shall be equal to the lesser of: (a) the uncompensated value of assets so transferred divided by the average cost of nursing facility services at the private pay rate or, (b) 30 months.
3. An institutionalized spouse who (or whose spouse) transferred resources for less than fair market value shall not be found ineligible for nursing facility services, for a level of care in a medical institution equivalent to that of nursing facility services, or for home and community-based services where the State determines that denial of eligibility would work an undue hardship under the provision of section 1917(c)(2)(D) of the Social Security Act.
4. If the community spouse transfers to another party assets that have been transferred to him/her from the institutionalized spouse, or other assets, for less than fair market value, the institutionalized spouse will be penalized according to C.3. above as if s(he) had made the transfer. The 30 month transfer time frame prior to institutionalization applies to these situations.